

APPENDIX F

Critical Measures Performance Scoring

- A. The following steps would be taken to determine which CLECs would be entitled to Bill Credits pursuant to the Aggregate Rule, *i.e.*, when aggregate CLEC performance falls below standard for a critical measure.

1. Calculate the total dollars available for Bill Credits per critical measure per month.

An increment table will be developed for each critical measure to determine the Bill Credits available for unsatisfactory performance, *i.e.*, at or less than performance scores of -1. The tables will range from 50% of the maximum monthly amount, for a performance difference of less than 1% to 100% of the amount for performance differences of 10% and greater.¹ A sample table appears below for z and t and performance scores where the maximum monthly amount for the measure is \$390,690.

Table F-1-1
Allocation of Dollars for Critical Measures
Measures with Statistical Evaluation Standards

<u>Statistical Score</u>		<u>Performance</u>	<u>Increment</u>	<u>Dollars</u>
<u>From</u>	<u>To</u>	<u>Score</u>		
	> -0.8225	0	0%	\$0
≤ -0.8225	> -0.9048	-1.0	50%	\$195,345
≤ -0.9048	> -0.9870	-1.1	55%	\$214,880
≤ -0.9870	> -1.0693	-1.2	60%	\$234,414
≤ -1.0693	> -1.1515	-1.3	65%	\$253,949
≤ -1.1515	> -1.2338	-1.4	70%	\$273,483
≤ -1.2338	> -1.3160	-1.5	75%	\$293,018
≤ -1.3160	> -1.3983	-1.6	80%	\$312,552
≤ -1.3983	> -1.4805	-1.7	85%	\$332,087
≤ -1.4805	> -1.5628	-1.8	90%	\$351,621
≤ -1.5628	> -1.6450	-1.9	95%	\$371,156
≤ -1.645		-2.0	100%	\$390,690

¹ For HOT Cut Performance, if either metric is below standard, the entire critical measure is treated as below standard.

Table F-1-2
Allocation of Dollars for Critical Measures
Measures with 95% Standards ²

<u>% Performance</u>		<u>Performance</u>	<u>Increment</u>	<u>Dollars</u>
<u>From</u>	<u>To</u>	<u>Score</u>		
	≥ 95.0	0	0%	\$0
< 95.0	≥ 94.5	-1.0	50%	\$195,345
< 94.5	≥ 94.0	-1.1	55%	\$214,880
< 94.0	≥ 93.5	-1.2	60%	\$234,414
< 93.5	≥ 93.0	-1.3	65%	\$253,949
< 93.0	≥ 92.5	-1.4	70%	\$273,483
< 92.5	≥ 92.0	-1.5	75%	\$293,018
< 92.0	≥ 91.5	-1.6	80%	\$312,552
< 91.5	≥ 91.0	-1.7	85%	\$332,087
< 91.0	≥ 90.5	-1.8	90%	\$351,621
< 90.5	≥ 90.0	-1.9	95%	\$371,156
< 90.0		-2.0	100%	\$390,690

- 2. The aggregate performance score would be used to determine the amount of Bill Credits available for CLECs who received unsatisfactory performance.**

Pursuant to table F-1-1, \$195,345 would be available if the aggregate z-score equaled -0.823 and the performance score equaled -1³

- 3. Determine which CLECs qualify for the market adjustment.**

For measures where the statistical score is used, the cutoff point for qualification is Verizon-MA's score on the critical measure +/- one sampling error (based upon the Verizon-MA sampling error). Each CLEC's performance is compared to the cutoff point. Performance equal to or less than the cutoff qualifies for Bill Credits. For example, if Verizon-MA's performance score was .13 and the sampling error was .03, all CLECs with scores equal to or greater than .16 would qualify.

² For Performance Measures with other % standards, the range of performance will be similarly distributed in 10 even increments.

³ When calculating a market adjustment for metrics that use absolute standards (generally a 95% standard) all CLECs at the -1 level or less would qualify. The calculation of the dollars is similar to the z-score method.

4. Calculate the individual market adjustments for qualified CLECs.

- a. Determine each CLEC's allocated weight. Multiply the CLEC's score on the measure by the volume of its service to be credited.
- b. Determine each CLEC's weighted share. Aggregate the amounts from step "a" and divide each CLEC's share by this total to determine each CLEC's weighted share.
- c. Determine each CLEC's dollar share. Multiply the CLEC's weighted share by the total amount available for market adjustment.

B. The following steps will be taken to determine whether any CLECs would be entitled to Bill Credits pursuant to the Individual Rule, i.e., for CLECs who receive a performance score ≤ -1 for two consecutive months:

1. Determine if any CLECs qualify for Bill Credit Adjustment. CLECs qualify for a Bill Credit if they received a final score equal to or less than $-.8225$ for z and t scores or equal to or less than -1 for absolute scores on any of the measures included in the critical measurements for the applicable month.
2. Determine each CLEC's Bill Credit Adjustment base. The CLEC's individual z or t or performance score is used as a starting point to determine the monthly amount available for bill credits to that CLEC.
3. Calculate Bill Credit Adjustment to apply to the CLECs impacted. The monthly dollars available to the CLEC are converted to a rate assuming that $1/3$ of the market would receive a Z or t-score of $-.8225$ or less or a performance score of -1 or less. This rate is multiplied by the CLEC's volume (*e.g.*, lines in services) to determine the amount to be credit to the CLEC for that critical measure.